



**U.S. DEPARTMENT OF LABOR
OFFICE OF INSPECTOR GENERAL
STRATEGIC PLAN
FISCAL YEAR 1997-2002**

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SECTION 1: INTRODUCTION

OIG MISSION

The Office of Inspector General (OIG) serves the American worker and taxpayer by conducting audits, investigations, and evaluations that result in improvements in the effectiveness, efficiency and economy of Departmental programs and operations. We detect and prevent fraud and abuse in Department of Labor (DOL) programs and labor racketeering in the American workplace. We provide advice to the Secretary and the Congress on how to attain the highest possible program performance.

OIG VISION

By the year 2002, the OIG will be widely recognized in the Department and the Congress for providing timely, quality, and useful information, recommendations, and technical assistance that will have improved key programs and operations of the Department of Labor. Through its labor racketeering criminal investigations program, the OIG will have made a significant, positive impact on the Government's effort to control the influence of organized crime and reduce labor racketeering in the workplace.

We will have created and fostered an organizational culture of employee respect, acceptance and inclusion in which OIG employees believe they are valued, believe their ideas have merit, and know their talents are fully utilized.

ABOUT THE OIG

The OIG is an independent, objective agency within DOL. Created by the Inspector General Act of 1978, the OIG is responsible for conducting audits, investigations, and evaluations of DOL programs and operations; identifying potential problems or abuses; developing and making recommendations for corrective action; and informing the Secretary and the Congress of problems or concerns. The OIG at Labor is unique in that it is also responsible for carrying out a criminal investigations program to combat the influence of organized crime and labor racketeering in the workplace.

OIG ORGANIZATION

The OIG administers its programs through four major components: the Office of Audit, the Office of Investigations, the Office of Analysis, Complaints, and Evaluations, and the Office of Management and Counsel.

The Office of Audit is responsible for reviewing the fiscal and programmatic integrity and efficiency of all Department activities. Audits are performed to evaluate compliance with applicable laws and regulations, review the economical and efficient use of resources and determine the extent to which the effectiveness of DOL programs and operations is achieved.

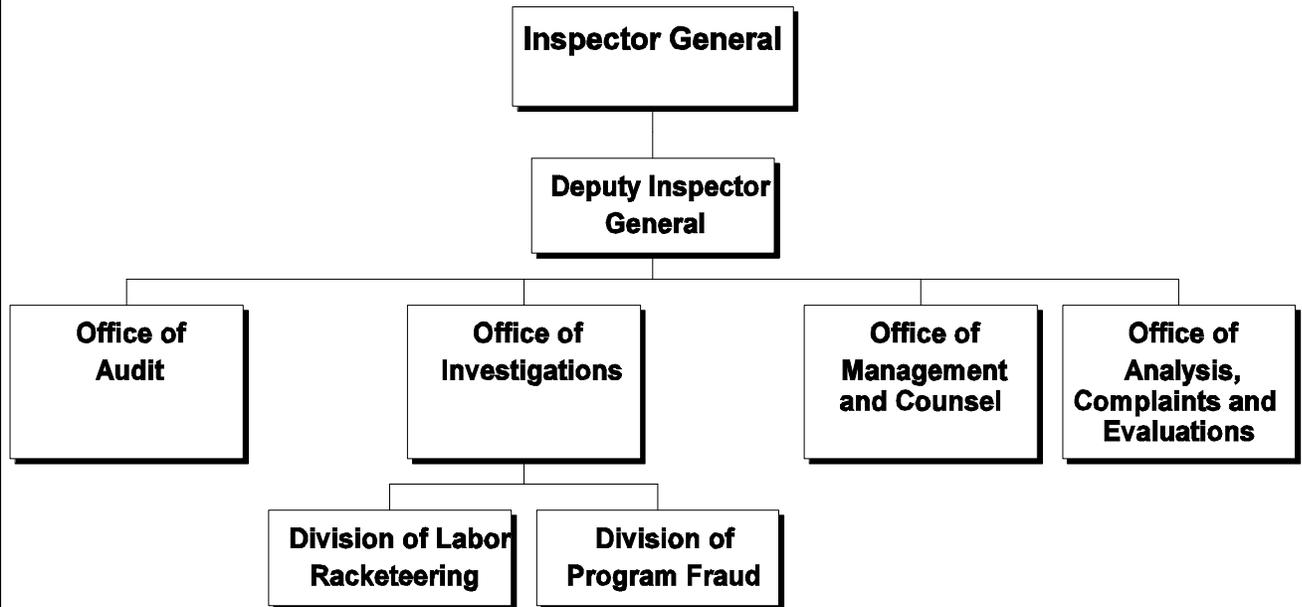
The Office of Investigations is responsible for conducting investigations into criminal activity or misconduct by DOL employees, grantees, contractors, program participants, and beneficiaries. This office also administers the OIG's Labor Racketeering Program which focuses on reducing the influence the organized crime and labor racketeering in three general areas: employee benefit plans, labor management relations, and internal union affairs.

The Office of Analysis, Complaints, and Evaluations provides the OIG with policy direction, management support, and program reviews. This is accomplished through various functions including policy development, strategic planning and performance measurement, congressional relations, legislative assessment, and public affairs. This office also performs evaluations, analysis, and inspections of DOL programs or functions that are requested by the Department and Congress to improve program efficiency, effectiveness, and services.

The Office of Management and Counsel provides administrative support to the OIG nationwide through various functions including legal services; budget formulation and execution; and management of OIG personnel, procurement, contracting, and information technology resources.



Office of Inspector General Organization Chart



SECTION 2: THE CHANGING WORKFORCE AND THE WORKPLACE

The Department of Labor is faced with many challenges over the next several years. Among the challenges facing the Department will be the need for ensuring that its employment and training programs are effective in meeting the needs of employers for educated, highly trained workers that are able to maintain their skills in constantly evolving workplaces. This challenge is compounded by the implementation of welfare reform, in which the Department's programs will be relied upon to train and place workers in jobs and off the welfare rolls.

Another challenge will be the Department's ability to ensure that its entitlement programs (i.e., workers' disability and unemployment insurance benefits) provide eligible people with the appropriate level of benefits in a timely manner, while ensuring that funds are safeguarded. These programs are designed to help workers when their income is interrupted through no fault of their own, therefore, ensuring their integrity is very important. This will be particularly difficult in the unemployment insurance program because of technological advances that are conducive to defrauding the program. The Department will also be increasingly challenged in ensuring workplace standards are enforced because of rapidly changing work environments (e.g., as is the case with off-site, contingent workers) coupled with a disproportionate ratio of workers/workplaces to Federal compliance staff.

The Department will also be faced with ensuring the safety and health of workplaces, when there are millions of work sites and finite Federal resources with which to conduct inspections and enforce safety laws. Effective targeting of OSHA's enforcement efforts will also have to take into account the need to strike a balance between eliminating workplace hazards and assisting employers, through education and technical assistance activities, to have safe workplaces without affecting their ability to stay in business.

The Department will also be faced with ensuring the accuracy and utility of critical, labor-related information, in an increasingly budget conscious environment.

Finally, the Department will need to get its financial, management, and information systems in order to effectively measure and assess program outcomes and report to Congress the impact of its efforts and its return on the taxpayers investment. Though the Department has made significant progress in this area in recent years, much remains to be accomplished.

Given the numerous challenges faced by DOL, the OIG expects to play an even more vital role over the coming years in protecting the interests of the Department, addressing key issues of interest to the Congress, and ensuring that taxpayer interests are served. The OIG will ensure that it focuses on important DOL issues, identifies risks to the Department, and acts in a timely manner to alert officials regarding those risks and how to address them. OIG management is more committed than ever to augment its compliance and internal control audit and investigative role through strategic management of

OIG activities. With passage of the Government Performance and Results Act (GPRA), Congress and the Administration are demanding that programs be effective and cost efficient, and produce a positive impact. The OIG plans to help the Department to meet this mandate. Through our audit and investigative oversight of DOL programs we will also support the goals established by the Secretary.

SECTION 3: STRATEGIC GOALS

The OIG developed this Strategic Plan for Fiscal Years 1997 - 2002 in conformance with GPRA. The plan is driven by our responsibilities under various statutes, including the Inspector General Act of 1978; and DOL's mission, goals, and challenges. The overall purpose of the plan is to serve as a catalyst for directing OIG resources to those audits, investigations, and evaluations that are most effective in helping us to carry-out our mission and to achieve our vision and strategic goals over the 6 years covered by the plan.

DEPARTMENT OF LABOR STRATEGIC AND OUTCOME GOALS

The DOL Strategic Plan establishes the following long-term goals for the Department.

DOL Goal One: ***A Prepared Workforce:*** Enhance Opportunities for America's workforce

Outcome Goals

- C Increase employment, earnings, and assistance
- C Assist youth in making the transition to work
- C Provide information and tools about work
- C Provide information and analysis on the U.S. economy

DOL Goal Two: ***A Secure Workforce:*** Promote the Economic Security of Workers and Families

Outcome Goals

- C Increase compliance with worker protection laws
- C Protect worker benefits
- C Provide worker retraining

DOL Goal Three: ***Quality Workplaces:*** Foster Quality Workplaces that Are Safe, Healthy and Fair

Outcome Goals

- C Reduce workplace injuries, illnesses, and fatalities
- C Foster equal opportunity workplaces
- C Support a greater balance between work and family
- C Reduce exploitation of child labor and address core international labor standards issues

DOL Management Goal: ***Maintaining a Departmental Strategic Management Focus***

Outcome Goals

- C Maintain the integrity and stewardship of the DOL's financial resources
- C Improve organizational performance and communication through effective deployment of IT resources
- C Establish DOL as a Model Workplace

OIG STRATEGIC AND PERFORMANCE GOALS

The OIG has established five goals to be accomplished by 2002. These ambitious goals serve as the impetus for achieving our mission and vision and support the Secretary's goals for DOL.

- OIG Goal 1:* Optimize the use of funds appropriated for training and employment programs by enhancing program performance and accountability.**
- OIG Goal 2:* Safeguard workers' and retirees' benefit programs by enhancing program performance and accountability.**
- OIG Goal 3:* Optimize the use of funds appropriated for worker protection and workplace safety programs by enhancing program performance and accountability.**
- OIG Goal 4:* Assist DOL in maintaining an effective management process.**
- OIG Goal 5:* Combat the influence of organized crime and labor racketeering in the workplace.**

The audits, investigations, evaluations, and technical assistance activities that support the goals and related outcome goals form the basis for annual action plans, budget documents, and performance reports. Achieving the OIG's goals requires the dedication and commitment of all OIG employees, as well as the support of the Administration and Congress. Paramount to our success will be our ability to fund an adequate workforce; to provide our staff with the necessary, specialized training to carry out the activities envisioned by the plan, and to maintain an adequate level of technological readiness. In Fiscal Year 1997, we began prioritizing our work based on these goals. The following pages detail each of the goals, the DOL goals they support, and the related outcomes and strategies.

DOL GOAL 1: A Prepared Workforce: Enhance Opportunities for America's workforce

DOL Outcome Goals:

- C Increase employment, earnings, and assistance
- C Assist youth in making the transition to work

OIG GOAL 1: Optimize the use of funds appropriated for training and employment programs by enhancing program performance and accountability.

Description: By 2002, conduct sufficient activities to make assessments and recommendations to significantly enhance the overall efficiency and effectiveness of DOL's job training and employment programs. Our work will support DOL's efforts to advance the employment prospects of America's workers through programs designed to assist current and future workers in finding long-term employment at livable wages and to enable them to become fully productive members of society. This includes providing oversight to ensure the overall efficiency and effectiveness of DOL's Welfare-to-Work System in moving welfare recipients away from public assistance and into training, jobs, and self-sufficiency.

OIG Performance Goals:

- C Performance Goal 1.1: Improve program effectiveness in increasing long-term employment, earnings, and self-sufficiency, and reducing social payments to program participants.
- C Performance Goal 1.2: Improve the integrity of DOL's training and employment programs.

OIG STRATEGIES TO ACHIEVE GOAL:

In order to meet the objectives under this goal, the OIG will:

- C Conduct nationwide and individual program audits as well as targeted evaluations to assess program success and recommend improvements of DOL's employment and training programs.
- C Provide DOL with consultation assistance and audit services related to the measurement of return on investment through identification of costs and economic benefits derived from employment and training programs.

- C Audit the practices of high- and low-performing programs to identify and disseminate strategies and techniques that have a positive influence on both program and participant outcomes.
- C Conduct financial and compliance audits of grants and contracts to determine if internal controls are adequate, reported results are valid, and claimed costs are allowable.
- C Analyze the results of audits, evaluations, and investigations to determine if: 1) current systems are adequate and effective in ensuring that funds are effectively and appropriately utilized for the training and employment of program participants and 2) programs are effective in moving welfare recipients away from public assistance and into training, jobs, and self sufficiency.
- C Analyze the results of audits, evaluations, and investigations related to employment and training programs to identify patterns of abuse and to provide program management with recommendations on needed improvements.

DOL GOAL 2: A Secure Workforce: Promote the Economic Security of Workers and Families

DOL Outcome Goals:

- C Increase compliance with worker protection laws
- C Protect worker benefits

OIG GOAL 2: Safeguard workers' and retirees' benefit programs by enhancing program performance and accountability.

Description: By 2002, conduct sufficient activities to assess and make recommendations to significantly enhance the Department's ability to effectively administer and safeguard the billions of dollars in employment, unemployment, and disability compensation benefit programs and to protect employee pension, health care, and welfare benefit plans.

OIG Performance Goals:

- C Performance Goal 2.1: Improve the integrity and cost efficiency of the DOL's unemployment insurance program.
- C Performance Goal 2.2: Improve the integrity and cost efficiency of the DOL's disability compensation programs.
- C Performance Goal 2.3: Improve the safeguards afforded to pension and health and welfare benefit programs.

OIG STRATEGIES TO ACHIEVE GOAL:

In order to meet the objectives under this goal, the OIG will:

- C Conduct audits, evaluations, and investigations; analyze the results; and assess the existence and effectiveness of internal controls and other mechanisms related to the administration and integrity of the Department's Unemployment Insurance programs.
- C Conduct audits, evaluations, and investigations; analyze the results; and assess the existence and effectiveness of internal controls and other mechanisms related to the administration and safeguarding of DOL's disability compensation programs.
- C Conduct audits and evaluations of DOL activities related to enforcement and oversight of pension, health care, and welfare benefit plans.

DOL GOAL 3: Quality Workplaces: Foster Quality Workplaces that Are Safe, Healthy and Fair

DOL Outcome Goals:

- C Reduce workplace injuries, illnesses, and fatalities
- C Foster equal opportunity workplaces

OIG GOAL 3: Optimize the use of funds appropriated for worker protection and workplace safety programs by enhancing program performance and accountability.

Description: By 2002, conduct sufficient activities to assess and make recommendations to significantly enhance DOL's effectiveness and efficiency in ensuring the workplace protections and safety and health for more than 100 million workers at more than 6 million workplaces.

OIG Performance Goals:

- C Performance Goal 3.1: Improve the effectiveness of DOL safety and health programs in reducing workplace injuries, illnesses and fatalities.
- C Performance Goal 3.2: Improve the effectiveness of DOL's worker protection programs in fostering equal opportunity and fair wages.
- C Performance Goal 3.3: Improve the integrity of DOL's worker protection and workplace safety programs.

OIG STRATEGIES TO ACHIEVE GOAL:

In order to meet the objectives under this goal, the OIG will:

- C Conduct audits and evaluations of safety and health enforcement targeting to determine whether OSHA is consistently and effectively directing its resources to the most hazardous work sites.
- C Conduct audits and evaluations to assess the quality of the health and safety inspections.
- C Investigate allegations of wrongdoing, evaluate results, and assess the adequacy of internal controls in preventing potential misconduct or wrongdoing by inspectors.
- C Conduct audits and evaluations of DOL policies, activities, and functions related to the enforcement and oversight of workplace standards.

DOL MANAGEMENT GOAL: Maintaining a Departmental Strategic Management Focus

DOL Outcome Goals:

- C Maintain the integrity and stewardship of the DOL's financial resources
- C Improve organizational performance and communication through effective deployment of IT resources
- C Establish DOL as a Model Workplace

OIG GOAL 4: Assist DOL in maintaining an effective management process.

Description: By 2002, conduct sufficient activities and provide appropriate technical assistance to DOL management to ensure: the effectiveness and efficiency in the management of DOL, as required by GPRA; the integrity of financial management systems, as required by CFO Act; and the effective management of information technology (IT), as required by the Clinger-Cohen Act.

OIG Performance Goal:

- C Performance Goal 4.1: Determine the validity of DOL's annual consolidated financial statements prepared pursuant to the CFO Act.
- C Performance Goal 4.2: Determine DOL's compliance with Federal standards regarding financial and performance measurement systems.
- C Performance Goal 4.3: Improve the financial and performance accountability of DOL and its grantees and contractors.
- C Performance Goal 4.4: Assist DOL in maintaining secure, compatible and cost effective IT systems.
- C Performance Goal 4.5: Remove systemic weaknesses that may result in abuses, criminal conduct, or mismanagement.

OIG STRATEGIES TO ACHIEVE THE DEPARTMENTAL MANAGEMENT GOAL:

In order to meet the objectives under this goal, the OIG will:

- C Conduct annual audits of the DOL financial statements and trust funds.
- C Conduct audits and provide consultation assistance in support of DOL's implementation of GPRA.
- C Conduct audits and evaluations to determine if IT resources adequately support agency programs.
- C Investigate substantive allegations of wrongdoing by DOL employees or service providers.

DOL GOALS: *A Secure Workforce/Quality Workplaces:*

DOL Outcome Goals:

- C Increase compliance with worker protection laws
- C Protect worker benefits
- C Foster equal opportunity workplaces

OIG GOAL 5: Combat the influence of organized crime and labor racketeering in the workplace.

Description: By 2002, OIG investigations will have contributed significantly toward the Government's effort to eliminate the influence of organized crime and labor racketeering in employee welfare benefit plans, union affairs, and labor-management relations.

OIG Performance Goals:

- C Performance Goal 5.1: Protect ERISA-covered union pension and benefit plans from the influence of organized crime and labor racketeering.
- C Performance Goal 5.2: Protect labor-management relations from employers or union officials who engage in labor racketeering activities or are influenced or controlled by organized crime.
- C Performance Goal 5.3: Protect the democratic principles of unions and the rights of the members from union officials who are influenced or controlled by organized crime or who engage in labor racketeering.

STRATEGIES TO ACHIEVE GOAL:

In order to meet the objectives under this goal, the OIG will conduct investigations or probes of:

- C labor racketeering activities of plan officials, administrators, and service providers.
- C organized crime's domination or influence over unions and employers operating in those industries.
- C union corruption to remove organized crime influence and restore democratic procedures in unions.

OIG MANAGEMENT STRATEGIES

In addition to program strategies, the OIG will use a number of management strategies to facilitate our accomplishment of the goals and performance objectives in this plan. These include to:

- C Maximize resources by focusing on activities that promise to be of most value to improving Departmental programs or operations or which have the highest potential for yielding a positive return on invested resources.
- C Manage resources and adjust priorities to fully and timely meet requests for audits, investigations, or evaluations from the Congress, the Secretary, or Departmental management.
- C Carry-out initiatives to give enhanced and integrated attention to key areas or problems needing OIG expertise.
- C Provide consultation assistance and conduct special reviews and training on specific areas of concern to the various DOL agencies.
- C Identify and recommend any legislative changes that may be needed, both from an OIG operations and DOL program perspective.
- C Continue to educate managers and staff on the goals, objectives, and performance requirements of the OIG strategic plan and, through an enhanced employee performance appraisal system, hold them accountable for contributing toward the OIG's success.
- C Ensure that OIG staff has the necessary information technology and expertise to carry out the audits, investigations, and evaluations that support our goals. This element of our operation is further discussed in the Information Technology Linkages section of this plan.
- C Seize opportunities, within our resources, to contribute toward a highly qualified, diverse DOL workforce through pro-active recruitment, retention, and development efforts.

PERFORMANCE MEASURES

Our statutory mission is to identify problems or weaknesses, detect fraud, make recommendations for corrective action, and combat labor racketeering in the workplace. To accomplish this, we have to ensure that the information provided to our stakeholders through our audits, investigations and evaluations is useful, significant, reliable, and timely. Moreover, our work products need to result in: decisions and actions by our stakeholders that effect positive changes such as improved program economy and efficiency; reduced vulnerabilities that lead to program fraud, abuse or mismanagement; and reduced influence of organized crime and labor racketeering. The impact of OIG work products depends on our ability to demonstrate that DOL programs or operations have been significantly improved or that our work contributed to a reduction in criminal activity.

Therefore, through the quantitative and qualitative performance indicators that follow, we will measure attainment of our 5 strategic goals in terms of our success in:

- C Effecting Positive Changes**
- C Reducing Vulnerabilities**
- C Producing Positive Returns on Invested Resources**
- C Providing Quality Services to Stakeholders**

EFFECTING POSITIVE CHANGE

< *Identify high risk areas or significant problems*

1998 - 2002: Determine high risk areas/significant problems for DOL programs under OIG Strategic Goals 1 - 5 and establish base level of weaknesses/problems.

Develop and initiate audit and investigative strategies and activities to address these problems.

Deploy resources to high-risk areas.

< *Amount of inappropriate costs identified (questioned costs) by OIG audits and recommended for disallowance by the Department*

< *Amount of costs identified and recommended by the OIG to be re-directed and put to better use by the Department*

< ***Decrease the percentage of recommendations that are not resolved***

By 1998: Develop base level and modify reporting systems

By 1999: Work with management to decrease by 5% over 1998 base the number of recommendations that are not resolved within 180 days

By 2000: Work with management to decrease by 10% over 1998 base the number of recommendations that are not resolved within 180 days

By 2001: Work with management to decrease by 15% over 1998 base the number of recommendations that are not resolved within 180 days

By 2002: Work with management to decrease by 20% over 1998 base the number of recommendations that are not resolved within 180 days

< ***Decrease the percentage of recommendations to improve the effectiveness or efficiency of DOL programs and operations that are not implemented***

By 1998: Develop base level and modify reporting systems

By 1999: Work with management to decrease by 5% over 1998 base the number of recommendations that are not implemented within 1 year.

By 2000: Work with management to decrease by 10% over 1998 base the number of recommendations that are not implemented within 1 year.

By 2001: Work with management to decrease by 15% over 1998 base the number of recommendations that are not implemented within 1 year.

By 2002: Work with management to decrease by 20% over 1998 base the number of recommendations that are not implemented within 1 year.

< ***Increase the percentage of monetary savings agreed to by the Department in response to OIG recommendations***

By 1998: Develop base level, modify reporting systems and report dollar value

By 1999: Increase percentage of savings agreed to by 5% over base

By 2000: Increase percentage of savings agreed to by 10% over base

By 2001: Increase percentage of savings agreed to by 15% over base

By 2002: Increase percentage of savings agreed to by 20% over base

< ***Report the results of significant accomplishments (national, regional, or local) that contribute toward positive changes in the management and the employment and training, benefits, and worker protection programs of the Department.***

- re-designs of major programs or systems*
- major enhancements to program effectiveness*
- significant improvements to internal controls*
- decisions to terminate or not renew grants or contracts*
- changes in legislation or regulations*

- < ***Report legislative, regulatory and policy changes effectuated in response to OIG recommendations***

REDUCING VULNERABILITIES

- < ***Increase OIG cases accepted for enforcement action (e.g., prosecution, civil, administrative, or personnel action)***

By 1998: Develop base level and report number of cases accepted for enforcement action

By 2000: Increase percentage of cases accepted by 5% over base level

By 2002: Increase percentage of cases accepted by 10% over base level

- < ***Report number of indictments obtained as a result of OIG investigations***

- < ***Produce quality investigations that result in convictions in at least 75% of the cases that resulted in indictment***

- < ***Produce quality investigations that result in civil/administrative actions taken***

By 1998: Develop base level and modify reporting systems

By 1999: Increase by 5% over 1998 base the number of cases resulting in successful civil/administrative actions

By 2000: Increase by 10% over 1998 base the number of cases resulting in successful civil/administrative actions

By 2001: Increase by 15% over 1998 base the number of cases resulting in successful civil/administrative actions

By 2002: Increase by 20% over 1998 base the number of cases resulting in successful civil/administrative actions

- < ***Report the number of convictions obtained and civil/administrative actions taken***

- < ***Report the results of significant accomplishments (national, regional, or local) that contribute toward reducing vulnerabilities***

-- successful investigations of corrupt union officials, plan administrators, service providers, program officials, employees, or participants

PRODUCING A POSITIVE RETURN ON INVESTED RESOURCES¹

- < ***Report the amount of expected monetary recoveries (fines, penalties, restitutions, debt collections, cost efficiencies, etc) resulting from OIG activities and total invested resources***

PROVIDING QUALITY SERVICES TO STAKEHOLDERS

- < ***Complete at least 90% of mandatory and special request audits and evaluations within established time frames***
- < ***Increase efficiency in conducting complex investigations***
 - By 1998: Develop base level of efficiency*
 - By 1999: Increase efficiency by 5% from 1998 base*
 - By 2000: Increase efficiency by 10% from 1998 base*
 - By 2001: Increase efficiency by 15% from 1998 base*
 - By 2002: Increase efficiency by 20% from 1998 base*
- < ***Report number of briefings, advice, testimony, training, and/or technical assistance provided to improve agency/program performance***
 - to the Secretary and/or Assistant Secretaries*
 - to Congressional Committees or Members*
 - to other Government or public entities*
- < ***Report number (and percent accepted for action) of DOL management requests for audits and evaluations, incident reports, Congressional inquiries, requests from U.S. Attorneys, and other referrals.***

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OIG's return on investment will be measured over a rolling 3-year period. The monetary impact of our accomplishments will be projected, based on present value, over a period appropriate to the recommendation. For example, the impact of audits, evaluations, or investigations resulting in the termination of an individual's FECA benefits might be projected over a 10-year period. A recommendation to eliminate a program might be projected to the program's legislative sunset date, if any.

KEY EXTERNAL FACTORS

As an independent, objective agency within the Department, the OIG performs a critical function by identifying problem areas or systemic weaknesses that prevent Federal programs from achieving the results envisioned and desired by the Nation's leadership. The IG role is a proactive one of identifying potential problems or abuses; developing and making recommendations for corrective, legal, or legislative action; and informing the Secretary and the Congress of our concerns. However, because of the unique nature of the IG role, there are a number of factors beyond our control that may affect our achieving the goals and objectives established in this plan. Listed are three major limitations.

- C It is not within our authority to implement our recommendations. For example, while the OIG can recommend that costs we have found to have been misspent be disallowed, the ultimate authority to make those determinations rests with the Department, and those decisions are then subject to various forms of appeal. Likewise, implementation of program recommendations or improvements are outside of our control.
- C The OIG cannot control the results of judicial or administrative proceedings that may affect the outcomes of our investigative efforts.
- C It is not within our jurisdiction, authority, or responsibility to collect monetary sanctions imposed by the courts or the Department (restitution, fines, penalties, debts, etc) as a result of our audits or investigations.

However, recognizing the nature of our role, we strive to mitigate these factors in various ways. For example:

- C We work to ensure the high quality of our work products (audit findings, investigative evidence, etc.) to: 1) assure that our stakeholders have the best information from which to make key decisions that, in fact, affect the "outcome" of our work, and 2) ensure that the interests of the Departments' stakeholders, including the taxpayers, are served.
- C Within its statutory role, the OIG also works with Departmental management and Congress to call attention to, and follow-up on, uncorrected deficiencies.
- C We establish performance measures that are precisely directed towards ensuring the quality of the work and customer service we provide to the Department and the Congress.

SECTION 4: RELATIONSHIP BETWEEN GOALS IN THE ANNUAL PERFORMANCE PLAN AND THE STRATEGIC PLAN

As previously stated, the 6-year goals and objectives established in this plan, are driven by the mission and challenges of the Department of Labor, the Secretary's goals, and our mission under the IG Act. The goals and objectives provide the framework for the activities that the OIG proposes to conduct in its annual performance plan. The performance plan specifically identifies the OIG strategic goals as our areas of priority. It details the audit, investigation, and evaluation activities that the OIG will carry-out to achieve each of the strategic plan goals. Moreover, the annual performance plan details the targeted level of performance (vis-a-vis the performance measures detailed in section 3 of this plan) that the OIG aims to accomplish each Fiscal Year.

SECTION 5: CONSULTATION WITH STAKEHOLDERS

The ultimate purpose of the audit and investigative services provided by the OIG is to ensure that: 1) the Department provides its stakeholders (i.e., workers, taxpayers, retirees, program participants, legislators, etc.) with programs and services that meet their purpose and are free from fraud and abuse; and 2) that workplaces are free from labor racketeering. Therefore, we have identified as our primary stakeholders the Congress (which is elected to represent those served by DOL), the Department, and other key Federal agencies that utilize our work products.

There are several ways in which we have involved and continue to involve our stakeholders, in the strategic planning and goal development process. For example, the OIG Strategic Plan was provided to all relevant congressional committees, along with the plans for the other agencies of the Department. Since no specific comments were received on the OIG plan, we reviewed the aggregate comments received from Congress on the comprehensive DOL plan, considered them, and adjusted our plan as appropriate. We also met twice with congressional staff in our role as auditors of the Department to discuss the development of the DOL Strategic Plan and DOL's progress in implementing GPRA. Our plan was also reviewed by GAO in February 1998. As a result of aggregate comments on the DOL plan, the OIG plan was adjusted.

Our on-going efforts to include stakeholders include contacting Departmental managers, as part of our audit planning process, to seek their input in identifying areas that may require OIG presence or oversight or to identify those areas where they believe we can best serve their needs. Although the OIG functions as an independent, objective entity within DOL, we coordinate with Departmental agencies on cross-cutting issues, as is the case with the Office of Workers' Compensation Programs (OWCP) on FECA issues.

We also maintain continuing liaison with key congressional committees and individual member staffs to identify areas of concern or interest to members or their constituents, as well as views on potential or emerging problems requiring OIG involvement. We have also implemented a regional survey process, where regional OIG staff contact their Departmental (or other Government) counterparts to surface issues that relate to, or help shape, our goals, objectives, and strategies. Finally, consistent with our commitment to continuous improvement, we actively seek formal and informal comments and input from our stakeholders as to the quality of OIG work products and services.

SECTION 6: CROSS-CUTTING COORDINATION

The OIG provides audit and investigative oversight to all programs of the Department. Within that role, we coordinate with DOL agencies as we carry out our audits, investigations, and evaluations and with other pertinent law enforcement agencies.

Linkages with Other DOL Programs

Although the OIG functions as an independent entity within DOL and our jurisdiction largely differs from that of DOL program offices, we coordinate with Departmental agencies on cross-cutting issues. For example, we coordinate with ESA regarding FECA issues and with PWBA on pension investigations. We also continue to work extensively with the CFO on financial management issues.

Linkages with Other Federal Agencies

In addition to DOL agencies, we also coordinate our program fraud and labor racketeering enforcement efforts with DOJ, and other Federal, state, and local law enforcement entities. The CFO audit is coordinated with OMB and GAO in order to meet the needs of the government-wide audit.

SECTION 7: PROGRAM EVALUATION

Because of the nature and role of the OIG, this Strategic Plan was developed based on our responsibilities under various statutes, including the Inspector General Act of 1978; the mission of the U.S. Department of Labor; and the goals established by the Administration and the Secretary. In developing our goals and work plans, we take into consideration the findings of GAO evaluations of DOL programs and operations, as well as program and management issues identified through the IG audit peer review process. The OIG audit function is the subject of a peer review every 3 years.

As detailed in this plan, our annual performance plan, and our budget submissions for FYs 1998 and 1999, our areas of priorities include: improving the effectiveness and efficiency DOL programs, operations, and finances; optimizing the resources devoted to employment, training, safety and health, and workplace standards programs; safeguarding the benefits of workers and retirees; and reducing the

influence of organized crime and labor racketeering in the workplace.

To maximize the impact of our work, we target our resources to those functions or programs that: have high-dollar value; have a history of being susceptible to fraud, waste, or abuse; are relatively new; or have the potential to affect a large segment of the public. Our targeting is accomplished through a planning process that produces annual operational plans for the OIG audit, investigations, and evaluations components, which are reassessed on a quarterly basis.

To evaluate our success in achieving the goals and objectives of this Strategic Plan, the OIG has established a review and analysis process that will be utilized to assess its performance. We will evaluate the results of our performance to determine whether any changes are needed in the way we do business or whether any goals or objectives need to be adjusted to address emerging issues or external factors.

SECTION 8: DATA CAPACITY

Current Program Information System:

The OIG currently employs two major program information systems and several smaller sub-systems to track performance. These two major systems are located in the OIG Office of Audit (OA), and the OIG Office of Investigations (OI). OA maintains the Audit Information and Reporting System (AIRS) which is comprised of the various subsystems that track the efficiency of our operations and DOL agency actions to resolve and close audit recommendations.

OI maintains the Office of Investigations Tracking System (OITS) to track criminal cases, prosecutive results, indictments, convictions, and costs associated with investigations and Special Agents with its. Intelligence information that is not directly associated with open criminal investigations is stored, linked, analyzed, and retrieved in a separate database application. Information generated from OITS and the investigative database allows OI to track investigative progress and case costs, and to identify and target more effective investigations.

Data Validation:

To evaluate our success in achieving the goals and objectives of this Strategic Plan, the OIG has established a review and analysis process to assess its performance. Performance will be reported on a quarterly basis by the OIG operating components. These reports will be analyzed by OIG top management to assess the extent to which OIG offices are meeting previously-established, individual performance targets. We will then evaluate the results of our performance to determine whether any changes are needed in the way we do business, including adjusting operating plans to maximize the use of resources, or whether any goals or objectives need to be adjusted to ensure that we can effectively measure the impact of our work. This review and analysis will form the basis for annual reporting to Congress.

The data that will be utilized to measure the OIG's success in achieving its strategic goals (e.g., recommendations accepted or implemented, cases accepted for enforcement action, convictions obtained, etc.), will largely be obtained from DOL agencies or the Department of Justice (DOJ). Verification of

data will be conducted by the individual components of the OIG to ensure the accuracy of data being reported. This includes conducting, at various points during the course of the fiscal year, quality reviews of OIG data bases that capture performance data as well as conducting inspections of field offices to ensure the integrity and completeness of data reported.

The OIG is limited in its ability to obtain data with respect to fines, penalties, and restitutions that are actually collected. Therefore, our reporting will be limited to court-ordered, expected monetary recoveries. Verification of the data will be conducted through reconciliation of reported performance data with judicial documents.

With regard to the specific program information systems, all data entered into these systems goes through review by operating office managers prior to being entered into the system. During input into the system, the data undergoes additional checks by the system to ensure only valid codes are included for each data element and any illogical relationships between data elements are highlighted for resolution by the operating office managers. AIRS reports are distributed to agency liaisons heads on a quarterly basis for reconciliation with their own records of audit resolution and closure activities. Any discrepancies are noted and resolved by both OIG and agency staff.

Data Timeliness:

OIG audit and investigative information systems are continuously updated and reports can be run at any time to obtain performance data.

Linking Costs to Performance:

The OIG tracks time charges and cost data by activity to allocate cost to individual audit activities and in summary by agency and program. This data is currently being used to develop the Statement of Net Cost that will be included in the Department's consolidated financial statement. On the investigative side, Special Agent and Intelligence Analyst hours devoted to investigations or intelligence gathering are tracked by case number or intelligence file number. This data is used to determine the costs associated with all OI activities.

SECTION 9: MAINTAINING A DEPARTMENTAL STRATEGIC MANAGEMENT FOCUS

The OIG supports the Secretary's goal of departmental strategic management in two ways. First, it has established as one of its strategic goals to assist the Department in maintaining an effective management focus. It is our plan to provide audit services and provide appropriate technical assistance to DOL management to ensure the effectiveness and cost-efficiency of DOL's programs, as required by GPRA; the integrity of DOL's financial management system, as required by the CFO Act; and the effective management of information technology resources, as required by the Clinger-Cohen Act.

Second, we will work toward addressing internal issues related to the areas of information technology and human resources to ensure the successful implementation of our strategic plan. These issues are discussed in the sections that follow.

Information Technology Linkages

Information technology (IT) is an integral part of the OIG's strategy to achieve the goals and objectives established in this plan. Adequate IT systems, capabilities, and knowledge are critical tools needed by OIG auditors, investigators, evaluators, and other professional staff to carry out their work. This includes: ensuring access to the records of those being audited or investigated (e.g., grantees, contractors, service providers, etc.); securing electronic evidence obtained through searches and seizures; gaining access to criminal enforcement data bases; and being able to communicate electronically with stakeholders and counterparts in the Department and other Government agencies. An example of the importance of IT to the OIG program involves our work with the pension area, where it is critical to develop computer data base capabilities to allow for comparisons of intelligence gathered by OIG criminal investigations, with information obtained from the Securities Exchange Commission to identify problematic investment advisors associated with union pension plans.

As the Department makes significant changes to update its technological needs the OIG will also need to make adjustments to ensure connectivity and continuity with DOL systems. Accordingly, the OIG will need to significantly enhance its day-to-day technological infrastructure and increase its readiness to provide oversight of Departmental IT initiatives and functions.

Human Resources

- C There are a number of human resource issues related to achievement of our goals. Paramount to these issues is our ability to have the necessary workforce (auditors, investigators, and professional and support staff) and contract services to carry out critical activities and initiatives and to ensure the long-term viability of the OIG criminal investigative program. Factors specific to this include:
 - C Ensuring that the OIG has the necessary resources to hire and maintain an adequate law enforcement workforce (criminal investigators and investigative analysts) to carry out its mandate.
 - C Investing in training of less experienced agents to ensure a smooth transition as numerous retirements of senior agents occur.
 - C Investing in specialized training needed to carry out comprehensive initiatives that directly support the goals.
 - C Enhancing the technical capabilities of audit staff to enable them to address program issues related to technological advances, particularly increases in electronic commerce.

From an internal management perspective, we will continue to:

- C Evaluate the training needs of staff at all levels, identify associated costs, and assess the feasibility and extent to which training can or must be provided.
- C Recruit, retain, and develop a diverse workforce to meet the needs of a changing work environment and customer profile; and redesign OIG reward and recognition systems to reflect valuing diversity.
- C Determine the correct administrative support to professional staff ratio and relate it to technological advancements, in order to identify the feasibility of further consolidating administrative functions.
- C Assess the value of our presence in certain geographic areas.

SECTION 10: CONCLUSION

In FY 2000, the OIG will continue its commitment to help the Department in meeting its mission and the many challenges it faces in the coming years. Through quality work products, we will strive to provide DOL and Congress useful information that they can use as critical decisions are made regarding DOL programs and operations.

APPENDIX: LIST OF ACRONYMS:

CFO	Chief Financial Officer
ERISA	Employee Retirement Income Security Act
ESA	Employment Standards Administration
FECA	Federal Employees' Compensation Act
FTE	Full Time Equivalent
GPRA	Government Performance and Results Act
JTPA	Job Training Partnership Act
IT	Information Technology
MSHA	Mine Safety and Health Administration
MOU	Memorandum of Understanding
PWBA	Pension and Welfare Benefits Administration